

**APPROVED 01/09/2008**

The meeting was called to order at 7:05 PM by Charles Kimball. Present were Doug McElroy, Peter Bearse, Michael Nygren, Peg Pinkham, Heidi Carlson and Andy Kohlhofer. Keith Stanton was present to videotape. Minutes were recorded by Jeanne Nygren.

Kimball wanted to go through the minutes of the last meeting for approval by the committee. Nygren found an error on page 5. The figure of \$3000.00 in postage not \$300.00 in the December 5<sup>th</sup> meeting. After realizing some members have not gotten the minutes by email and didn't have time to review as they are lengthy, Pinkham asked to table the minutes till the end of the meeting tonight.

Heidi Carlson passed out the agenda for tonight's meeting. At 7:10 PM Fremont Building Inspector Thom Roy prepared to go over his budget.

A few minutes was taken by the committee to review the rationale and Building Inspector's budget. Roy asked if there any questions or did he need to present it.

**4240-001** Inspector Wages-\$42,129.00. Pinkham asked what does Roy see happening from his prospective relating to building. Roy stated it has stalled. Renovation activity is taking place but new building isn't. Pinkham stated this does affect other revenues as far as building permits. She asked could he see if last years impact fees are a fair number. Last year was a low figure, but he thinks this year will be a bit more.

Don Gates came in at 7:10 PM.

**4240-002**-Heating Inspections-generally paid through the inspector's budget. Kohlhofer asked is this money we pay to the Fire Chief. Roy generally it goes to the Chief but could delegate someone else to do the inspections. Kohlhofer noted revenue is \$50,000. Carlson had to change this figure for the tax rate because we were not going to make that. Nygren asked what Roy put into his wages for an increase. Roy this calculates to 5%. Kohlhofer asked if he was full time 40 hours. Roy answered yes. Bearse asked who does the performance evaluation? Roy stated that he did his own. A question was asked if his department has slowed down, he said it didn't really slow it just had stalled. Building permits for a new building from a contractor prospective of doing inspections. Builders out there today appear to be people who own the land and are doing their own general contracting. Pinkham asked how the revenue to the town budget is related as far as building permits. Roy said an impact fee for single family is over \$3700.00. Looking at what Roy has seen, Pinkham said this would be a fair evaluation.

Kohlhofer asked if heating inspections is paid back to the fire department? Carlson said whoever does the inspection, generally the Chief gets paid. The Chief submits it at years end. Others are paid as they do an inspection. The Chief gives a breakdown of all the inspections and then receives the money. The Town collects the inspection fee of \$65.00 permit fee for oil burners and the inspector gets \$20.00 per inspection. The same happens when doing an electrical inspection or when Guerwood Holmes is doing a driveway inspection.

Kohlhofer asked if this shows up anywhere in their budget. Carlson said no. There is a line in Fire Department budget for inspection and consultations if the Chief was to hire somebody to do it for a specific case review or a fire protection review. In theory this line could be shown in the Fire Department budget but it is an inspection so it always has been shown here. Kohlhofer asked in reality it is wages? Carlson stated yes.

He asked how money is tracked. Carlson said \$65.00 permit fee and the inspection fee is 20.00 that is tracked and goes to the chief or another officer at the end of the year. It does not show up in the Fire Department budget. If a specific case review was needed there is money for that in the Fire Department budget. Nygren noticed the lines between 2007 and 2008 request an increase. Roy speaking on line 4 and 5 driveway inspection, this years budget has actually decreased the driveway inspections and that is a line item that doesn't go to the Building Official it goes to the Road Agent. Because it is for new driveways this was reduced to \$2000.00 and Board of Selectmen further reduced it to \$1000.00 Nygren said this hasn't been

spent yet. Roy it is paid out at the end of the year. Nygren feels maybe it should be done quarterly so the Budget Committee can get an idea where money has been spent. Carlson said driveways are paid out as they are done to the Road Agent. Roy is collecting the money but the payout is done as well at \$20.00 per inspection. Some driveways may need 2 to 3 inspections involved before they are complete. Roy's calculation for next year is \$65.00 for single family driveway doing 15 would be \$1000.00. Basically it comes down that there is no money left after collection of fees.

Pinkham asked are these inspections only on new driveways. Roy said, they are also done on resurfaced driveways. Nygren stated that \$20.00 is collected each inspection. Roy said the concept is \$20.00 per inspection and driveways can use 3 inspections so only \$5.00 is cleared by the Town administrative fee. Nygren said basically there is no money left on a driveway. Roy said on a furnace, the \$65.00 permit fee is usually one inspection for \$20.00 and there is a better income of money to the town. Carlson said we are not losing money but we are not making money. Nygren said it goes to the person doing the inspection not administrative tracking. Roy said the fee anticipated and number of inspections is anticipated, and that number is paid back out. Nygren said bottom line figure money taken in and paid out is an offset, should we have figures in those lines? Carlson said you have to appropriate the total on a gross basis. Nygren we collect the fee and it goes to the town, so we show a figure of revenue, but shows up as an expense in Roy's account. We are appropriating money in his budget that we are going to offset on fee, so it is basically a balance, the town can spend the money anywhere they want to spend it. Rationalize \$2000.00 paid to whoever does inspection; Town is taking in \$60.00 for 3 inspections, that is all paid back out to them. You have the money but we have to give him money to pay the Fire Chief, although you have the money. Bearse asked what the point was. Bearse asked should this office be completely self sustaining? Nygren said some of these line items don't exist although we are appropriating money for them; the Town collects the money as revenue and doesn't turn this over to the Building Inspector to pay those fees. Carlson said in town budgeting unless you have a specific revenue fund set up for a specific purpose, this is all general fund. All revenue funds go in or out of checking account. If she didn't budget \$500.00 to be able to do heating inspections and had nothing in there, she can't spend that which is not appropriated. If it has to be over spent then she has to decide to transfer from somewhere else. With no line item there the Town just can't spend the revenue.

Nygren asked regarding police details unless something is done for safety purpose (transformer going through town) if you go out and work for Verizon, Verizon pays the town and we should never expend more money than taken in for police details. Gates doesn't think we are. Nygren said we did this year. Gates said we had more details than we budgeted for. Nygren said there was more revenue taken in than we budgeted for. Gates said at the end of the day isn't it a wash. Nygren understand it is a wash, but when you have to have a special meeting to appropriate the money for that account where the money is already taken in, that is what he doesn't understand. Nygren asked Carlson was the money taken in or was there a shortfall on that. Carlson said the money was taken in. We appropriate money and we allocate incoming revenue for a certain expense. This is budget law.

Bearse has concern for any department or inspection of the town government that is taking in fees, that we understand what percentage of their budget is covered by the fees. We don't see these figures. There seems to be a negative trend line which there is less spending than appropriated. It would help if departments that are taking in fees from the public what percentage of their budget are covered by these fees. Carlson said you can tell this at the end of the year, take the spent number and compare it to final year-end revenue. Bearse said this could be a helpful calculation for the committee. He is not suggesting that any department needs to be financially self-sustaining based on fees, but a question always arises of what is a reasonable percentage of the budget that should be earned by fees. Bearse asked Roy have you actually calculated the extent of the value of your professional time as that is really what is at stake here, is covered by the fees for any inspection.

Roy projected revenue line here on 2005, \$76000.00 this is actual number in 2005 is a baseline year with the economy running along pretty good and activities going on. That covered a building inspection budget of \$41759.00. That was an income producing year. In the year 2006 the building industry headed downhill and had less revenue and the building inspection line was not covered 100% for the year. On the average you

could and should expect to have this department be a funded department from permits, which it generally is. In 2007 it probably will be or close to being. The revenue number isn't up to date. Commercial fees are coming in. Roy doesn't think they will make the \$50,000 figure but will only be spending \$46,000. Bearse wanted to know does it take him 2 hours to do an inspection and whether the inspection fee is covering the value of his time. Roy felt that it is.

**4240-020 Mileage.** Roy uses his vehicle for around the town at the going rate doing almost 100 mi a week at .44 per mile. Nygren noticed an increase of \$500. or so when comparing 2006 to 2007. Carlson said \$.44 has been in effect for several years. Nygren said when you look at it in Town buildings \$1200.00 was spent and with business slow he has spent \$2250. and with no business comparable. Understand cost has gone up but what is reimbursed is in the same ballpark. Gone over the years from 1100 to 1700 to 2250. Gates said looking at the year 2005 you are looking at particular housing developments and particular residences, and where in 2007 you are looking at more of a proactive fall in what is being built that is not being permitted. Roy didn't remember but Carlson thought 2005 was different. Nygren asked if he captured any buildings with repairs being done or additions that are not permitted. Roy said part of what he does, as well as inspections, is code enforcement, deputy health officer, development inspections, and then to the other side of time. He has sporadic inspections going on all over the town and still trying to service over at Tuck Woods for another inspection for the afternoon. He goes to a monthly meeting for training in Concord. Carlson said health officer has put in for almost no mileage this year, because every time there has been something she has gone with Roy so this comes out of his budget and not health. Kohlhofer feels that for health purposes it should be billed out of the health budget. Carlson can ask Roy to tract this separately. They drive together instead of both putting in for mileage. Kohlhofer said this turns out to be 450 miles a month that he is driving. Roy keeps accurate records to reflect these figures.

Bearse asked when was last time fees that were charged were changed for inspection services. Roy said about 4 months ago through the Selectmen. Kohlhofer asked if they were increased. Roy didn't feel that that they were increased and in a couple of places were reduced especially relating to the home owner. He put some combined fee schedules in place for example small project in your home where you are doing your own plumbing, heating and electrical those are all \$65.00 each so they created combined for these projects and reduced to \$25.00 each if homeowner does himself. If trade person does it, then it goes to the regular price.

Kohlhofer asked do you actually detect non permitted construction in town. Roy said when it is reported to him he goes and check on it. There is some that goes on but he thinks it is less than what it used to be. Contractors and people are pretty faithful to the process. Over the past 3 years we have accomplished a lot more. They are expected to pull permits. Roy no longer lets contractor pre- pay the fees. Kohlhofer said if you expect the contractors to do that, and sometimes it happens and sometimes it doesn't. How would Roy know? If Roy does a drive by and sees a truck labeled as equipment trucks or laborer, then he might check on his tracking.

Bearse asked about activity he had touched on with his job at the Rockingham Planning Commission, that some work is going on in the area of innovations in zoning code to enable smart development, green development, and as a neighboring town has this been recognized for coming up with an innovative zoning ordinance, does Roy spend any time on it and what can he tell us. Roy said at the Planning Board meetings, he stays current tying in with NH Building Association and Public Utilities energy seminar to try to stay in tune with what is going on. Bearse said it has come to his attention, whether it is the ordinance that was recognized in neighboring town, that these are coming concrete and becoming applicable here to Fremont that we ought to go about treating as an ordinance. Should this be presented to the Planning Board and Board of Selectmen based on what he has learned. Roy said we have a good energy program in the state with STAR program pushed by public utilities that gives incentive or grants to participate in energy compliant homes. There is a lot that actually goes on. He doesn't feel we need to sponsor types of building. To some degree when tragedy, fire, or flood hits, we try to waive these permits so they don't have to pay a large building permit.

**4240-004** driveway inspections and 4240-005 safety inspections as mentioned actually reduced the driveway inspections this based on load of new permits coming in. As you can see we reduced that to \$1000.00. Safety Inspections went up to \$2000 a change is needed to fund electrical inspections. We have an electrical inspector on the payroll. There are times when a master electrical license is needed to do some commercial inspections, currently at the Cooperage Corner. The budgeted line item went from \$500 to \$2000. The Selectmen reduced that back to \$500. Roy wants to go back to Selectmen and talk rationale up to at least \$1000.00 because there is no monies in this budget for inspections that are going on. When the State is involved, fire marshals office they will come down and do some of the inspections but they can't do all of them. We know that this line item is in front of us because there is more commercial development. McElroy asked what does it cost for a master electrician. Roy again we have someone willing to do this at the \$20.00 per inspection rate.

Bearse said electrical is challenging and important for the safety of others. Do you call anyone else or do you do it yourself? Roy said he does it himself, but if he gets into a complex situation he needs to call someone else. He doesn't believe \$500 would be sufficient. Rather than this having to come from some other line item he would like to actually plan and anticipate the expense. Kohlhofer asked has this actually been spent. Roy has actually used the master electrician on 3 occasions this year, commercial work is just starting up.

**4240-035** Training and Conferences-items on books are actually spent under ICC 4240-007 line item. Roy ordered 2006 building codes that they knew were coming into place for last year, bought some in last years cycle knowing they would be anticipated for this year and 2008 electrical code will be out next year. He has already bought a set for that. Kohlhofer asked to you actually update from the previous year. Roy said actually you get a whole new volume, the last code was in 2000 but the State was 2003 and 2006, generally the International Code changes about every 3 years.

There were no other questions for Roy and The Budget Committee thanked him for coming and Roy left the meeting at 7:40 PM.

At 7:45 PM Kimberly Dunbar, Town Treasurer came into the meeting to present her budget. Carlson had passed out updated spreadsheets that included all the financial administration numbers for the committee members.

Pat Martel came into the meeting at 7:50 PM.

Dunbar introduced herself to the Committee and started presenting her budget.

**4150-006** There was a cover letter that described the average by the year of how many hours a week worked, what she does, how long she has been doing it and some things she is requesting. Attached was also what she submitted to the LGC as her job description. On the left side and the next page these figures correspond with these. The second page goes into more depth and detail of what she does. She did an excel graph and she called various towns with similar populations to Fremont, and she asked questions about if they have a bookkeeper and who does this, or do Town Administrators do it, or do they have a financial director or treasurer. She explained under what treasurers duties and what they do, some just sign checks because they have a bookkeeper who maintains all the accounts, software and book work. The right hand column is their yearly stipend. They go from very low to \$15,000.00 The last page is her proposed budget. She stated she wants to take out 4150-006 the \$450.00 for office equipment to put towards updating her equipment that is antiquated, and maybe she could get an external hard drive to have more space, but her system is so old she can't get this. The software is okay and working okay. She can run XP but only has a Pentium processor that is 7 to 7 1/2 years old. She couldn't find anything or do anything so out of this year budget so she bought a couple of thumb drive memory sticks to backup material, and SB port to back up. She uses Quicken small business software that sometimes doesn't want to open. She doesn't have enough room on her home computer to back up. So she said to take the \$450.00 off of the bottom line. Pinkham thought she could maybe pick up a piece of software for her. Dunbar said that question has come up in the past because she works out of home office, for the town to buy a computer and it the town's equipment, and it being at her and the town owns. Kohlhofer asked would she only use for town business and couldn't she use the town

equipment. Carlson yes she could if she wanted to, but doesn't think Dunbar wants to work here for the 25 hours a week. The committee discussed getting a good laptop, but this \$450.00 was based on only getting an external hard drive. What was purchased is a temporary fix for now. If someone else was treasurer this may be different.

Bearse said he was puzzled about what do you need that you can get for \$450.00 in the way of a computer. Carlson said they were planning for an external hard drive to expand her space. Bearse asked does she need a new computer? Dunbar is going to need a new computer eventually but as far as the town is concerned she feels this is her responsibility because she gets her email on it. Carlson said to some point it is her computer, but it is also the treasurer's computer. Pinkham said we should be paying her the percentage of the usage on her computer, and she doesn't see this in the budget. Pinkham asked if she spent 25 hours per week on the computer. McElroy asked is this her yearly stipend. Carlson if someone wants to do a formula for that. Kohlhofer asked what do with do with old computers when we upgrade. Carlson said we try to find a home for them. The last time an upgrade done we took the computer and put at the library for the Supervisors of the Checklist. They just recently upgraded. If the Town replaced computers in Town she couldn't give them away. The Dells we have are pretty good and that is something to think about if we were going to do that. Nygren asked if they could find a computer at this price would they put back the \$450.00. He knew someone that could build it for cost. Carlson doesn't know why they wouldn't and she can ask the Selectmen to put back into budget.

Bearse thought the amount should be \$500.00 and if she wants something better she can pay the extra cost. Dunbar looked at HP for refurbished computers and they run \$400.00 just for a tower. Bearse said with some computer sales you can get a decent one for about \$500.00 now. Carlson said then the issue would be who the computer belongs too. Kohlhofer said if this was purchased, she would have to put on all the town stuff, and she couldn't use it for anything personal at all. She would have her own computer for her own use. Nygren can buy one sale for \$375.00 to serve the purpose for just town work and reports, e-mails, looking at paperwork done if there are upgrades on it. Dunbar will look at what is out there for prices and get back to the committee

**4150-036** Dunbar bumped up the salary line to \$6000.00 based on the number of hours, looking at other towns what they are getting and based on just the amount of work she does compared to other towns. Kohlhofer asked her if she does 25 hours per week every week and just gets \$6000.00. Pinkham's calculations came to \$4.62 per hour which doesn't reach minimum wage. Dunbar said the Town closest to what she does is Northwood, but that Town is close to the high end in salary. There is double work done because every check Carlson writes Dunbar has to put into her own system to reconcile as you would with your home checking account.

**4150-037** Dunbar stated she has left the Deputy Treasurer stipend the same at \$200.00. In the past Dunbar had went away for a month and did work where she was at, and the deputy comes and signs checks but Dunbar did all of the book work and money transfers.

**4150-038** Supplies increased this years need to buy more archiving supplies, bankers boxes, binders for reconciliation of transactions for each separate account. Check boxes are kept separate and are required to be kept for 7 years, but we keep them for 8 or 9 years to be safe. Room in town hall basement is full of all these records. Kohlhofer asked if they could be scanned.

Bearse asked if she had a scanner. Dunbar said yes, but no burner. Martel asked could the bank put a scanned copy on the bank statement. Dunbar said actually this is harder because of what the Conservation Commission needs. If you have to go back to 2005 to find an invoice when you get a copy it is extremely small to scan and make it bigger. These copies are needed to obtain grants. Kohlhofer stated that with on online banking you can get front and back copy of a check. Dunbar does use this service if there needs to be a search for check cashing.

Bearse asked about her investment role, are you the only member of the staff or town government that has this authority? Dunbar said yes but limited for the RSAs. She can do certificate of deposits, etc. Bearse

asked what NHPEIP stands for. Dunbar said New Hampshire Public Deposit Tool. Nygren asked how often do we borrow? Dunbar said she borrows once a year. She keeps track of revenues and expenditures each month to forecast what is coming up for the last four years. The last two years Citizens Bank does tax anticipation note called the Line of Credit. This year she got a line of credit for \$3,500,000.00 and she will keep the checking account down to the bare minimum. There might be \$1000.00 in there. Carlson will call on Wednesdays and say what is needed to cover payroll and AP, and that when she goes ahead and borrows the money from the bank. Carlson fair to say she sets that up as an overall borrowing once, but she borrows every time she needs money, probably once a month. We only collect the biggest amount of our money at tax time.

Bearse is it better to go through bank for a town this size or would it be better to go through a broker. Carlson and Dunbar didn't know the answer to that. Dunbar has never put it out to bid. She has to estimate the interest rate and trends. Last year she was within \$1000.00 from the amount borrowed. This year she borrowed and as soon as tax money comes in, she tries to pay off as soon as possible. It is paid off now, but she is paying \$32,000 in interest.

Kohlhofer mentioned that they have talked about collecting taxes twice a year. Nygren asked that if we did that would it eliminate some of the interest. Dunbar thinks it would help the interest rate. Another thing that would help (and she has requested it) is for the school give her some type of list as to how much they spend and what they need from us monthly for tuition, payroll, etc. This would allow her to know the school needs each month, and that way she can invest some money without having to pay a penalty to get the money out. Pinkham asked do you want this in a three month report and has she ever contacted the school. Dunbar said yes, she has gone through Barbara Munsey in the past and Ann Marie Scribner. Carlson said this is a busy time right now. Pinkham said she has never received the request and wants to have Dunbar give her a copy.

Kohlhofer said that with being paid \$6000.00 a year, that either she is grossly underpaid or mismanaging her time, it is one or the other. A bookkeeper would be paid probably either \$35,000. or \$40,000 for that type of work if it is 25 hours a week. This just doesn't equate. He is trying to find out what the issue is. Is she doing more than she should be doing, or taking on too many responsibilities or we are not paying her enough? It makes no sense to work 25 hours a week for \$6000.00 a year.

Gates said Dunbar does things for a lot less than what the open market does. He fully agrees she is not being compensated at fair market. Carlson said this is an elected position that people did for years for next to nothing as a community service. Since Dunbar has taken the position there has been a lot of changes in the depth of reports. This is Dunbar's way of doing things. Unless you sit at the town's computer where you actually cut the checks, there are some duplications in efforts of print outs, check records and totals. Even though there is duplication in efforts there is a check in balance here. There is not just one person writing, signing and taking care of our checks. At least two and generally four people see every check that the town processes. Jeanne Nygren sees them, Carlson sees them, the Selectmen see them and Dunbar sees them. There is duplication, but there is security in this as well. There is only a one user license. Pinkham may be able to help set her up with a system for her to use.

Bearse asked the question to Dunbar of what access you have to database using computers at Town Hall or another Town building and by not having access this may entail more of your time by chasing down data that you should already have access to. Dunbar said there is only one account that she would reconcile with Carlson, and that is the checking account, revenue account which is Tax Collector, and Town Clerk, four accounts with the Conservation Commission, PDIP, one account with 52 accounts and now the school impact account down to five or six accounts because they did a big withdrawal. The accounts grow with impact fees and then they are requested. School takes out a lump sum at the end of the year.

Pinkham thought it mind boggling, and thought hat to put out \$450. in a computer system would make her more efficient and save her time. Dunbar agreed with that but there were times that she asked for a \$300.00 raise and it might be a tight year and she got a zero raise.

Bearse wanted to know what the town is earning on its investments? Dunbar said we don't have any investments. Conservation Commission funds that are totally separate from town funds, they are able to invest in CDs. But with the school she doesn't know what to anticipate, do they want a million next week, or \$500,000.00 next week, with only a two weeks notice. Carlson said that the Town does get some interest. Dunbar might get \$7,000,000. worth of tax revenue, but by the time she pays off loans at this time of year we are already back down to \$3,000,000, yet by May or June she is asking for money, so that is where the question of billing taxes twice a year comes in. That is not an issue for the Treasurer, it would be an issue for the Tax Collector with the cost of postage and her time and her being here versus the Town actually payout in interest.

Bearse said this would be a greater convenience to the tax public and they have to pay interest on the fact that they can't pay the bill in full all at once. Nygren said they can pay all if they want to. Kimball said Brentwood went to twice a year. There are only a handful of towns at once a year. Kimball said a lot of people come in every month to make installment payments, so as not to pay a large sum at the end. Kohlhofer noted that one tax bill in spring saying that so much is due. Carlson said if you do that, the bill has to specifically say x amount of dollars due on July 1 and Dec 1. McElroy said until pre tax rate comes in, the first bill is just an estimate.

**4150-038** Supplies the prices of ink cartridges are rising, used for PDIP, email statements and transactions. Fax deposits and mail original signed forms, confirmation is emailed deposit receipt and this needs to be printed out using ink. Software she is asking for something to help with internet cost, which she hasn't ask for before but now that PDIP e-mailing statement that she is printing, she is doing all online banking and transferring is done online. Asking to defer the cost just a quarter of the bill and doesn't know how to figure this out.

**4150-050** Mileage kept the same based on what she has used, how many deposits and trips to the bank, dues and conferences hasn't changed.

**4150-039** Dues and conferences stayed the same.

**4150-053** Postage hasn't changed since last year.

Bearse said this is modest budget for her responsibilities. Gates makes sense to pay all of the internet connections as much for town as for herself probably a total of about \$49.00 a month. Dunbar has Comcast. McElroy asked if the line should be raised. Carlson said this might create a problem with other departments that may also want some type of payment for personnel internet. Carlson said that the town buys Norton for town internet so she doesn't have to buy Norton she can use town's one. McElroy asked Dunbar when she polled other towns did she ask the amount of hours they worked. Without these hours it is difficult to differentiate. Dunbar can get this for the committee. McElroy wanted to know if the workload has changed over the seven years. Dunbar said yes that as the town grows there is more development, more escrow accounts, and more bond accounts.

Bearse asked a question while he was reading on the forensic audit in Newmarket and whether Fremont should call for some type of forensic audit here and does she have any opinion on this? Dunbar hasn't read anything about it. Carlson asked what it is and is it different than the regular audit we do every year? Kohlhofer said it was that it was much more in depth. In a regular audit they just look at accounts; the forensic audit actually looks at where the money goes. Bearse said there have been significant errors found. Dunbar said she would welcome this. Carlson said we learn something new in audit every year. Dunbar's books have never been questioned by the auditors in the past. Bearse wanted to know who audits the Town. Carlson said Paul Mercier.

Pinkham asked that Dunbar get a detailed breakdown from the other Towns on how many hours and their salaries. She also said she will try to get the identified amount the school uses for her budgeting and asked for a copy of her correspondence to the school in the past. The first year Dunbar took over as treasurer in 2001, we borrowed \$800,000 and now we are up \$3,000,000.00 in just 7 years. She pays more and more

interest because she is unable to invest; the money is going faster than she can do anything with it. In March there is a lot of spending done after town meeting.

Kohlhofer asked if there was a warrant article can you amend it so that payment can't be spent until after December 1<sup>st</sup>. Dunbar has always thought of that also. Bearse said there is no cash flow management fund? Dunbar said a lot of the Conservation Commission grants require you to purchase before you can get the grant money. Bearse asked are we stuck with using just one bank. Dunbar we have had CD in other banks, right now she is dealing with one back to get better rates. Martel asked do state payments come in one lump sum come in for rooms and meals and block fund. Nygren asked has she submitted for salary stipend for the rest of the year and hopefully the account money is used in accounts before the end of the year. Nygren asked for all accounts be printed by Carlson to make sure accounts are used before the end of the year, and if Guerwood Holmes would have enough with all the storms that are predicted. Dunbar gave Carlson what the projected revenue from maintenance fees on accounts that charge the bond account \$20.00 a month. Dunbar will get the information that was asked of her and will get back to the Committee.

Nygren said he called the Department of Revenue on a couple of questions that were unclear in his mind that we have a pay scale or obligation to pay certain departments, and yet we don't manage them, and he got some clarification that he would like to share with the Committee. Basically, any elected official to get a raise has to submit a warrant article for the raise. In other words, the Selectmen can't give the Tax Collector, Town Clerk, themselves, Treasurer or any body else a raise or their deputies. They have to be submitted in warrant articles. Jeane Samm's was the person name if you want to call. Carlson said she is our auditor. Nygren said it didn't set well that we pay the deputy, he understands with the Tax Collector and Town Clerk because those are elected officials, but where we appoint and approve by the Selectmen their deputies and set an hourly rate with them, that some place along the line the Selectmen or Budget Committee have some control over their hours of work and salaries, etc. They don't. But we also have a right to set the salary. Carlson asked if an official, say Dunbar, is recommending X for her salary; the Selectmen have to make a recommendation on that. Nygren said they don't, the only thing they can do is make a recommendation in a separate warrant article for a different salary, or they can recommend that the warrant article be approved as the salary is presented to the town, but the town is the only one because the constituents control their salaries and their duties and are the only ones that can approve their raises. Carlson said if you wanted the same thing every year then it would go in the budget and the Selectmen recommend it. Nygren said they can recommend the warrant article that the Treasurers salary is \$5,500. and is staying the same and we want the warrant article approved. You will have to present the warrant article and it still has to be voted on, if you are going to present a raise. If there is no raise then it stays the same, there is no warrant article to present because the pay is already there. Kohlhofer asked with this \$1000.00 would this be part of a warrant article submitted to the voting Town as part of the budget. Pinkham said that the budget overall is a warrant article. Nygren said it is individual. He spent two hours on the phone with DRA and Samm's and if she wants to call her, she can. Pinkham asked is she not recognizing the budget as a warrant article. Nygren said because they are elected officials. Carlson said there is a language around that, we talked about that before. Nygren said we are talking back and forth and we have a deputy and we can't control their pay because they don't belong to the Town, they belong to the Tax Collector and they belong to the Clerk. She said unfortunately yes, and the statutes are that the Tax Collector, Town Clerk and Treasurer only have to be available two hours a week, that is the statute. They set their hours of duty, pay is set by the constituents and he asked was she sure. He even called back and asked her about supplies and she said the only thing that goes on the warrant article is the pay. Carlson asked in theory every single year you want to give someone a raise that is elected, they submit a warrant article for that raise. The Selectmen and the Budget Committee can submit different warrant articles for or against it, or they cannot recommend it. Kohlhofer asked if you need 25 signatures to submit the warrant article. Carlson said the Selectmen could put any warrant article on the warrant. Martel asked should the warrant article read \$1500.00. Nygren said the article would be \$6200.00 for the Treasurer and the Deputy. Martel asked if you would be responsible if she wanted to pay the deputy the \$200.00. McElroy asked does that include cost of living and step raise. Nygren said we don't have to vote on those. This is only on elected officials. If someone is appointed by the Town, it is the Town's choice, the Selectmen can approve a raise, it comes before the budget committee, goes before the voters. This is the administrative budget, it doesn't say that Carlson gets \$50,000.00 a year, it says the administrative budget is \$100,000.00 and do you approve that. The administrative budget is not a single item, but where an



elected official (Selectmen, Treasurer, Tax Collector, Clerk) if they want a raise, they have to submit a warrant article. Gates asked does this also go for the school. Nygren said this has nothing to do with the school, they are not elected officials. Carlson doesn't know if the School Board is treated differently as an elected body. Gates asked if she said what RSA she is talking about. Nygren said Samm's said it's the grey area, this is an elected official (appointed by the Selectmen) and she said because the deputy is appointed to the Treasurer, Tax Collector and to the Town Clerk, they fall under the guidelines of those departments, which are state guidelines that we don't set the hours they work and that they have to be there two hours a week. Gates said there must be some statute that covers this. Nygren said he asked her about that and she said there isn't any, but that is the law. Nygren provided the Department of Revenue phone number 271-2687. Carlson is going to a seminar this Friday on Warrant Articles and will ask these questions.

Nygren asked Gates if the Tax Collector got back to the Selectmen on the pay for the deputy yet. He said no that she had not that he knew of. The spreadsheet showed a payment was made to the deputy. Gates didn't know how many hours she was going to work. Looking at the figures that from December 5<sup>th</sup> from December 12<sup>th</sup> that the line item for the Deputy Tax Collector had a withdrawal. He thought that there was an agreement with the Selectmen that she would get back to them on how and what hourly rate that the Deputy Tax Collector would get paid. Pinkham said when the Tax Collector came in (beginning of November) they said they were going to track the hours and those kind of things. It did not deal with this year's budget. Nygren said if you go back and read she was only going to be till March and that the tracking would be from the time she started. In fact the last meeting we had Scribner said the tracking was going on from November and December and going on until March and that was the last budget meeting (December 5, 2007). If it was meant for next year this past meeting we just had, she was talking about this year. Carlson said she wasn't here for that part of the meeting. Pinkham said she wouldn't necessarily say that because she asked for a certain percent, she didn't change her budget, she came in. Nygren didn't say she changed her budget. Pinkham said she wasn't making a recommendation for a change because she hadn't had any time to evaluate two hours. She was coming in without any changes, to give herself the time to do a full evaluation of hours and expenditures, correct for those who were here. Carlson asked Scribner yesterday about the expenditure and was told that she had made a specific arrangement with the prior deputy, Ruth Anderson to work on an hourly basis, as hours were worked. So when Anderson resigned she was paid the actual amount. Nygren realizes that. Carlson's understanding would be different than Nygren's but she is referring to minutes that are six weeks old in terms of Selectmen, and wouldn't want to quote from them. Pinkham was just speaking for last weeks that she said she wasn't changing the budget because she didn't have enough experience or time to truly evaluate whether to have a low or high budget. She needed time to evaluate. Nygren asked when was the request submitted for the disbursement. Carlson would have to go back and get it but she wants to say it was the beginning of December and might be November 30<sup>th</sup>. Nygren said we had a meeting on December 5<sup>th</sup> and at that meeting she said at that she was not sure how she was going to pay her, but she already made arrangements to pay her on November 30<sup>th</sup> or shortly after, so why didn't she tell us that. Carlson said she didn't hear that. Nygren said he realized Carlson didn't but the rest of the Budget Committee heard that. Pinkham asked Nygren to repeat what was just said. Pinkham didn't think she discussed when she was paying anyone. Martell said she did but she hasn't made a decision. Nygren said she hasn't made a decision yet and from a time stance that she submitted for pay sometime around November 30<sup>th</sup> that she already had made a decision and yet didn't disclose it to the Budget Committee or did she go back to the Selectmen, which she promised to do in the Selectmen's meeting minutes on how the hours would be tracked while the deputy was working also as Town Clerk November 1<sup>st</sup> up through this period in time. Nygren doesn't care if you pay \$100,000.00 a year, don't lie to your constituents and to your Budget Committee or to the Selectmen, because that is not the way you can do business, it is not a good way to do business and he actually think she just out and out lied to us and he is really sorry about that. We come in and work for nothing and all the members try to do a good job and Nygren know he does and if that is the case and we are going to get lied to.

Dunbar was thanked and left the meeting at 9:15 PM.

Gates asked was the concern for commingled time. Nygren said the concern was that according to her meeting with the Selectmen and with you that she was going to track the hours that Holmes was using and get back to the Selectmen to see how she was going to pay it. Evidently they were not talking next year if we

were going to pay her this year. If that is the case and we had a meeting the 5<sup>th</sup> and the request for payment was submitted prior to that, she knew well how she was going to pay it and just didn't tell us and Nygren doesn't think that is the way to do it. Gates said we need to get an answer for that. Pinkham would like to refer back to the tape. Nygren said there was no tape that night and Stanton wasn't here that night. Nygren asked why he (Keith Stanton) wasn't here and he said unfortunately he just couldn't make it. Pinkham wasn't clear, she came in to discuss next years budget I wasn't clear that you were asking her on what you had seen the expenditure from this past years budget. Gates said there needs to be some rationale for the expenditure. Pinkham is not saying that but to sit here and call someone a liar. Gates said we just want to know. Nygren cleared his statement for the record that in his opinion the meeting on the 5<sup>th</sup> we discussed next years budget and also how in his understanding on how she was going to be paid for the hours she was working this year. The statement was she hadn't done enough study on that, etc. If Nygren is wrong he will apologize in the paper, but he doesn't think he is wrong. Carlson asked Scribner when the Town was processing the payroll because she got a request to pay, and Carlson wanted to know how she broke that down and it ended up to be a prorate of the stipend in line 4150-034 for two months. Nygren asked how can you pay someone this month at an hourly wage for not working when the month is not over. Carlson said at this time of year when it is a stipend basis, she pays those stipends out to year end. Nygren thought according to last weeks meeting we were on an hourly basis. Carlson was told the former arrangement was on an hourly basis and it was being done differently now for a lack of a better way to do it and lack the data we are talking about.

Kohlhofer (reading the minutes) said that Scribner said she (Scribner) does not know and she asked Holmes to keep a tally specifically on hours being done, so yes basically she said, she didn't really know what the process is for paying the Deputy Tax Collector and Holmes is asking for a tally of what she is doing.

Kimball asked if there was anything else. Carlson had a couple of things in the package handed out earlier. The yellow page is a draft of warrant articles because she is going to a warrant article session Friday at DRA. One article which is very rough and discussed with the Cable Committee earlier on being able to use franchise fees to equip or run the public access channels. She thinks it is appropriate to get feedback from DRA on it as well as get it out there for discussion. There is a Public Hearing Thursday on the cable contract where some discussion will take place but it will be recessed for follow up as well as follow through, probably into the beginning of the New Year. She has been working with Larry Morse on this article. Bearse said there are only two items being argued because of appropriate wording in the draft contract and he is working close with Jay Somers from Comcast to finalize those two items

Carlson handed out material on Government Buildings that she will go over next week. It is no different from past years other than utility costs. With regards to solid waste, there is a new page from 53B what the dues number is which is \$7800.00 and Carlson had put in \$5000.00 Carlson got information on bond refinancing, we can only do that if it was not originally through the bond bank. The rebate was given because bonds were refinanced by them. The Town can't pay bonds off early and unless you get a bond from someone else, you can't refinance with the bond bank. Carlson asked if there is anything she hasn't given to them to let her know. Police OHRV Warrant Article is on draft to review. Carlson printed current year to date but there is only one more payroll for this calendar year to come out of this budget and a lot of things get cleaned up this time of year.

Kohlhofer asked about the FD points, if you have a call in November or December than if you have a call in January and February. Carlson asked do you think that because it is the beginning of the point's year. On a call Kohlhofer had to his home, he had a lot of people that came to his call. Carlson said Friday night at 11:00 is a good time to have an emergency; a lot of responders are at home. Monday morning at 8:00 AM, not too many people show up as they are at work Kohlhofer would like to see those figures. Carlson thought Roy could provide these figures. Kimball restated that the day and time are the determining factor here, in terms of available volunteer fire and EMS personnel.

Carlson said there is another new vendor which is Great Bay Services. Kimball knew about them. They take mentally retarded people into a home and work them, some mow cemeteries. They do a lot of work to try

and help the children. Kohlhofer said that major drug companies offer medication free for people in need. He will get the information for Carlson. Carlson got a PPA flyer that supplies resources as well.

Pinkham asked if Dawn Lewis can come in and finish part of the budget on December 19<sup>th</sup>, because she is not available January 5<sup>th</sup>. This is to walk through her portion of the budget or do you want to wait until after January. Carlson is not available January 2<sup>nd</sup> so she can finish the town next week and the committee asked if Lewis was available January 2<sup>nd</sup>.

The schedule of meeting with the school is January 2, 9, 16, 23.

Carlson gave dates for the school district meeting on Saturday, March 8<sup>th</sup> at 5:00, March 15<sup>th</sup> at 9:00 AM, if bad weather. Town meeting scheduled March 15<sup>th</sup> at 5:00 pm or March 23, 9:00 AM in case of inclement weather. Regarding public hearing Carlson has given thought to instead of wondering which budget will be done on this night is to try and consolidate some more of that to one night or just say Town Public hearing is X and the School Public Hearing is Y, so people come on the first night and know if it is going to be town budget or school budget, or do say just one night. Pinkham said it is the law that you can't discuss school district business at a town meeting, or discuss town business at a school district meeting. The public budget hearings will be on two separate nights.

Bearse said somewhere you need to discuss the issue of whether the school budget has an effect on the town's ability to finance other services. Kimball and Pinkham both told him you can't. Bearse said you can't cut your taxpayer into fractions. Kohlhofer said the public hearing is 25 days prior to the town meeting, so warrant articles are due at 4:00 on the day of the public hearing.

Motion to table minutes of December 5<sup>th</sup> by Pinkham. Seconded McElroy, all were in favor.

Bearse asked, if based on reviewing by Carlson, regarding government buildings, whether it would benefit this town to have a purchasing agent, whatever salaries that might have to be provided, pay the town to have a purchasing agent. Carlson asked what would that person do? Bearse they could achieve savings through bulk purchases instead of having each section in town government ordering the same thing from different suppliers. Carlson's quick answer was that we are not big enough and not buying enough stuff but things like oil is put bid out. Bearse requests the usefulness we get and would this include expenditure figure, how expenditures might come out through the year end. Bearse asked Carlson provide this for discussion in the department budget discussions. Gates wanted trending on a monthly basis.

Motion to adjourn the meeting was made by Pinkham, Kohlhofer seconded and all were in favor. Meeting ended at 9:45 PM. The next scheduled meeting is December 19, 2007 at 7:00 PM.

Submitted by,

Jeanne Nygren  
Selectmen's Clerk